

Metrics...

What
are
'metrics'
?

How are
metrics used
in PBA?



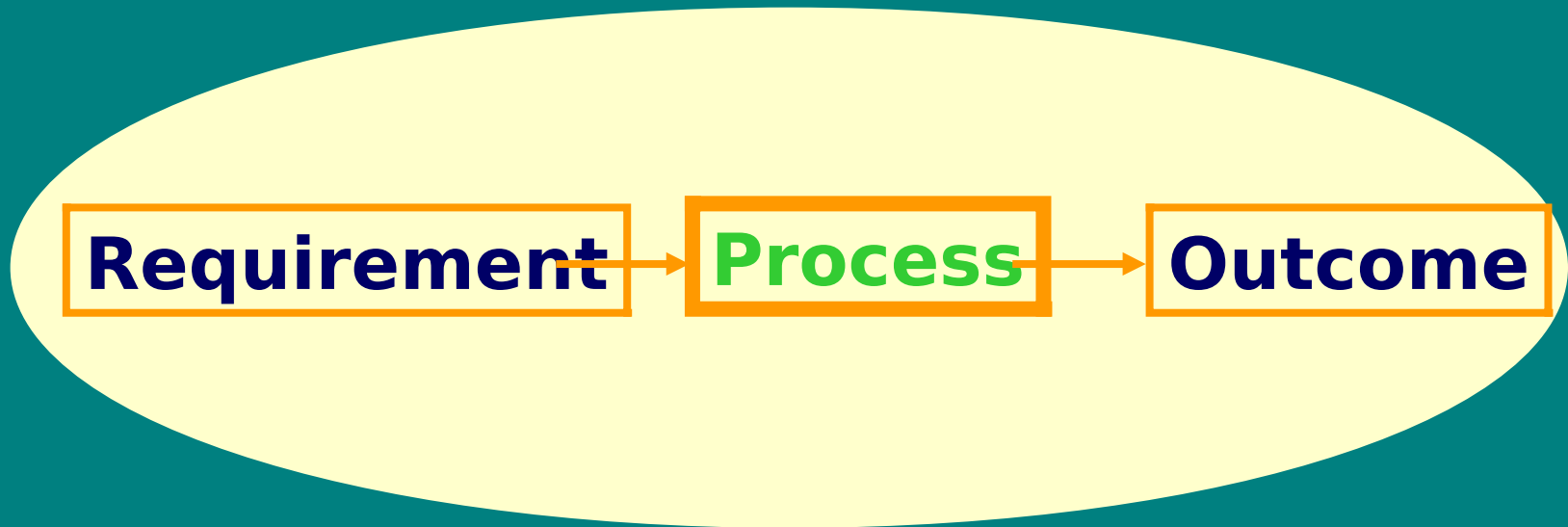
Performance-Based Acquisition

Performance Work Statement (PWS)

means a statement of work for performance-based acquisitions that describes the required results in clear, specific and objective terms with measurable outcomes.

Statement of Objectives (SOO) means a Government-prepared document incorporated into the solicitation that states the overall performance objectives. It is used in solicitations when the Government intends to provide the maximum flexibility to each offeror to propose an innovative approach

Process-Performance: Then and Now



Seven Steps

to Performance-Based Services Acquisition

1

Establish the team.

2

Decide what problem needs solving.

3

Examine private-sector and public-sector solutions.

5

Decide how to measure and manage performance.

4

Develop a PWS or SOO.

6

Select the right contractor.

7

Manage performance.

http://acquisition.gov/comp/seven_steps/home.html

Metrics

➤ **Performance-based contracts for services shall include--**

1) A performance work statement (PWS);

2) **Measurable performance standards** (in terms of quality, timeliness, quantity, etc.) and the method of **assessing contractor performance against performance standards**; and

3) Performance incentives where appropriate. When used, the performance incentives shall correspond to the performance standards set forth in the contract

Metrics are:

- **Measurable standards**
- **Objective measures**
- **Indicators of performance**
- **Quantitative**

Metrics:

- **Already exist**
- **Commonly used by industry**
- **Reflect public law and industry certifications**



Metrics originate with the Customer

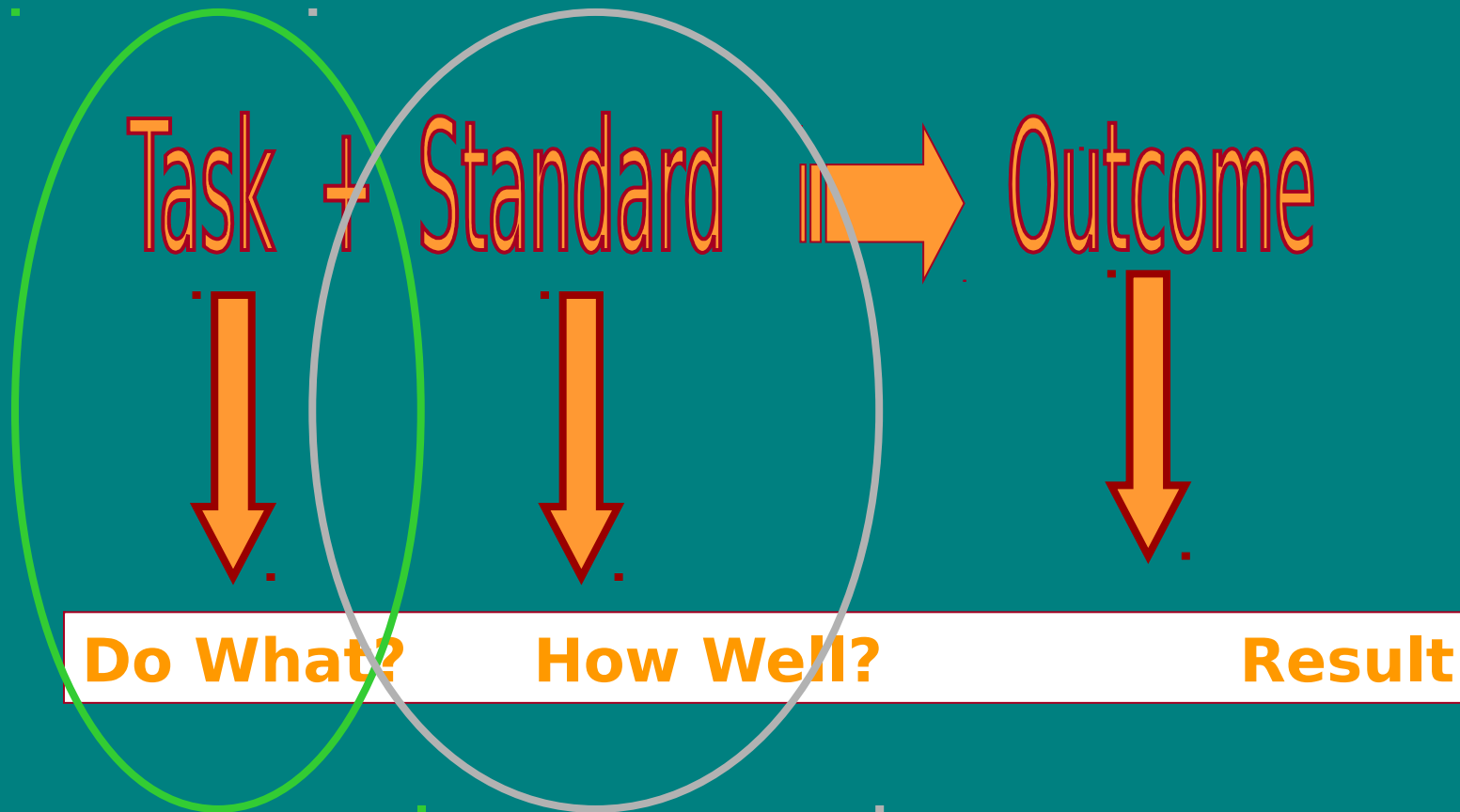


Tasks

Standards

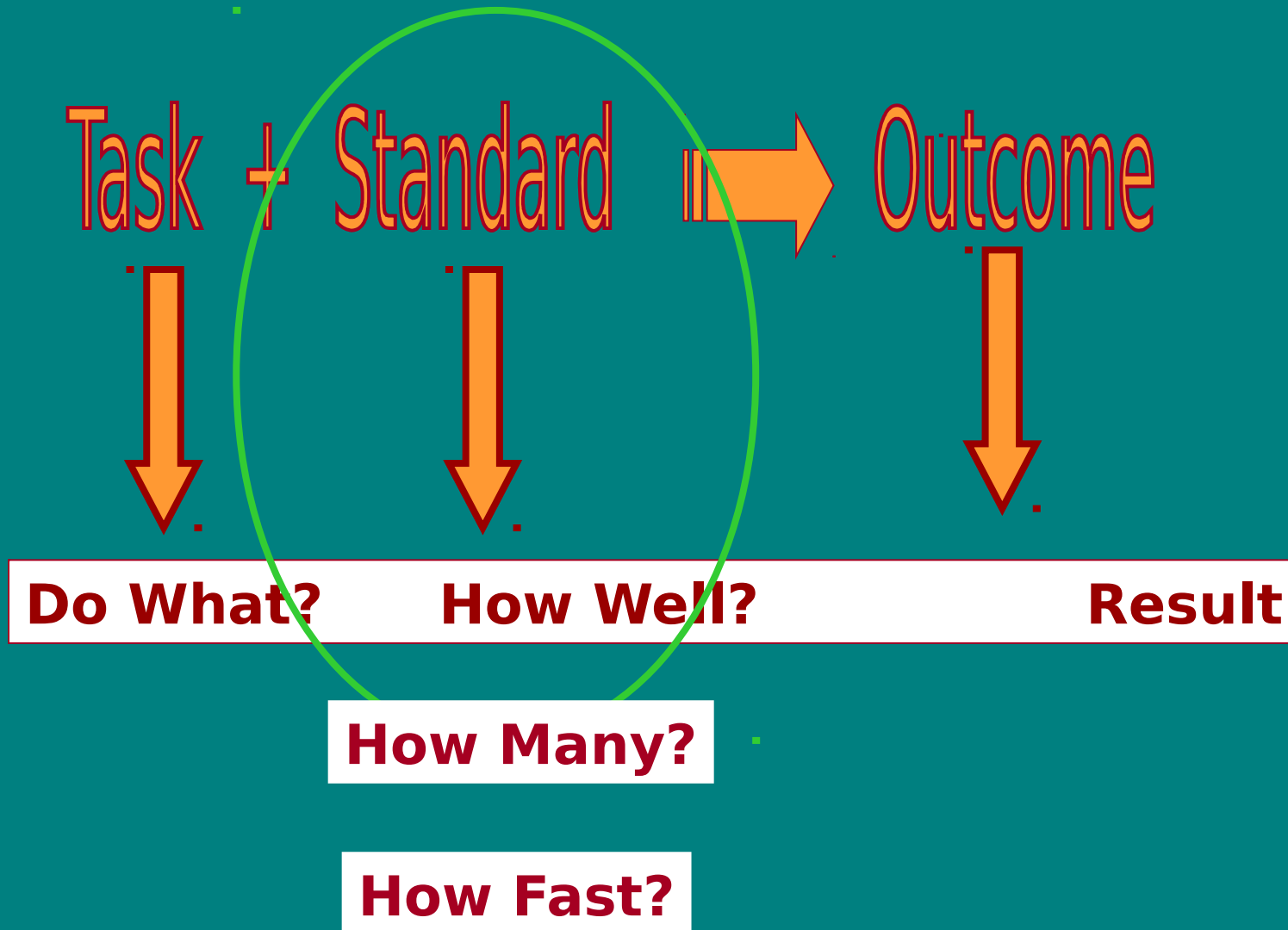
Indicators

Identify the “Do Whats” & “How Wells”



“Employees shall arrive at the workplace not later than 9

Now for the “How Wells”...



Metrics: Binary vs. Comparative



PBA: Metrics

The flying machine must be designed to carry two persons having a combined weight of about 350 pounds also sufficient fuel for a flight of 125 miles.

The flying machine should be designed to have a speed of at least forty miles per hour in still air .

40 miles per hour, 100 per cent

41 miles per hour, 110 per cent

42 miles per hour, 120 per cent

43 miles per hour, 130 per cent

44 miles per hour, 140 per cent

Tasks - the step before Metrics

- Categorize requirements as
 - **Critical Tasks**
 - “Must-do”
 - Failure jeopardizes Activity’s objective
 - **Non-Critical Tasks**
 - ‘Unsat’ performance does not affect critical tasks
 - Includes “necessary” but not “critical” tasks
 - General requirements i.e., Compliance/Admin, Other

Tasks + Standards

PBA: Metrics

Category

Task

Standard

Outcome

Critical & Non-critical

**Customer
Performance**

Technical

Non-technical

Specific
detailed
requirement

Specific
Performance
Outcome
desired

Compliance /Admin

law

regulation

policy

Specific
requirement
detailed by
regulation

Specific
regulatory
outcome
required

General

Working at the Car Wash ... yeah!

PBA: Metrics

Car Wash

Task Areas
Tasks

Sub-

Body (Chassis)

Wheels

Other

Identifying Critical Tasks

Task Area Sub-tasks

Windows

Windshield
Side windows
Rear window

Body

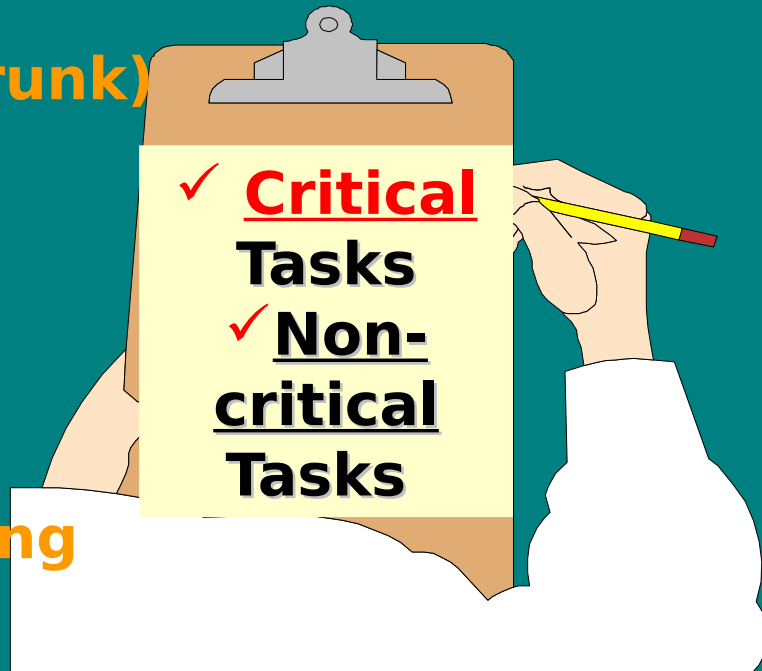
Flat surfaces
(hood, roof, trunk)
Side panels
Wheel wells

Wheels

Tires
Wheel covers

Other

Time
Care & Handling
Interiors



Task + Standard



Do What?

Respond to critical tasks

Correct malfunctions

Mean time to repair

_____.

Virus protection
more
infections per year.



How Well?

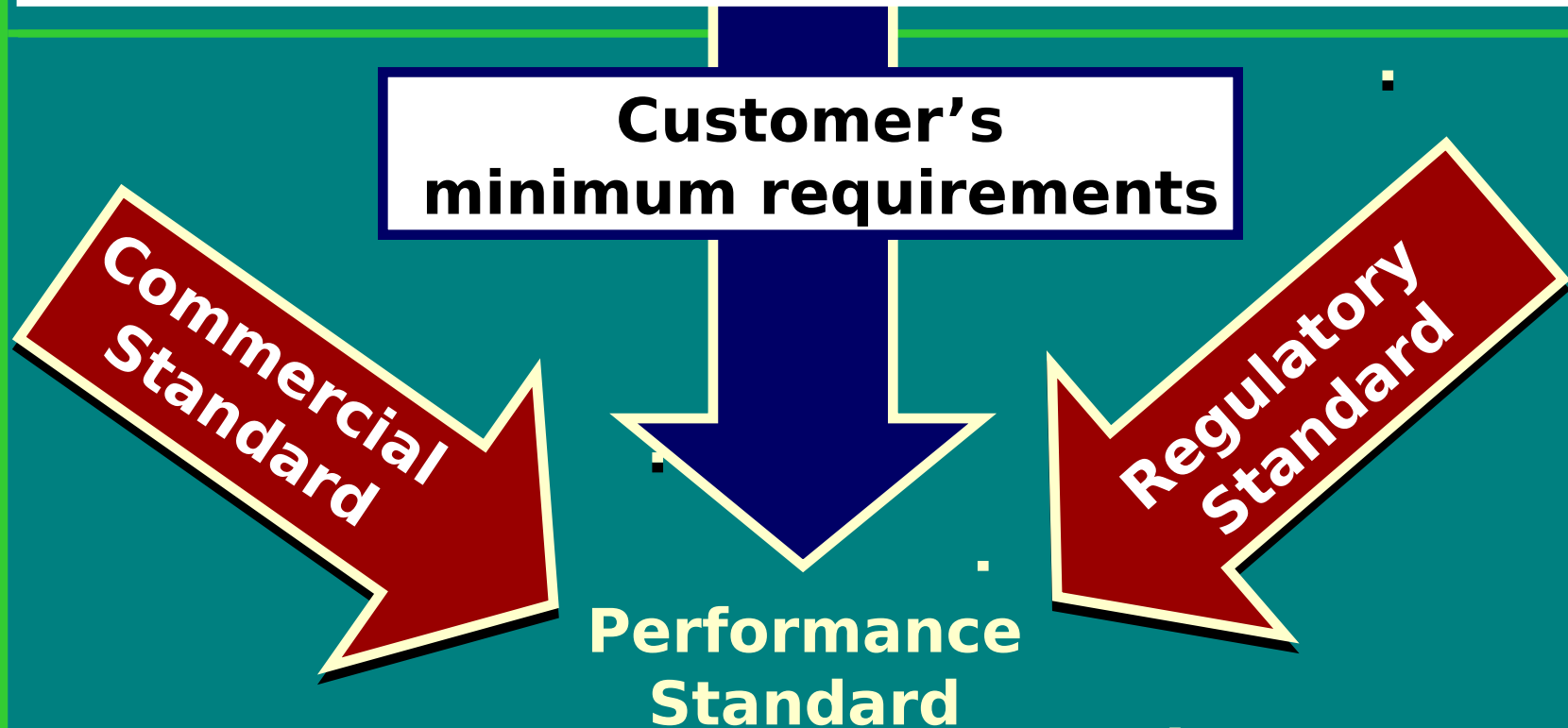
**within __ hours of
notification**

to OEM standards

shall not exceed

**shall result in no
than __**


Where do metrics originate?




Standards should reflect:

- Complexity of tasks
- Reporting
- Schedule
- Accuracy Required

Identifying Performance Metrics



Standards describe ‘how well’
a task must be performed.



The ‘***indicator***’ is a
metric that compares
actual performance
to the standard.

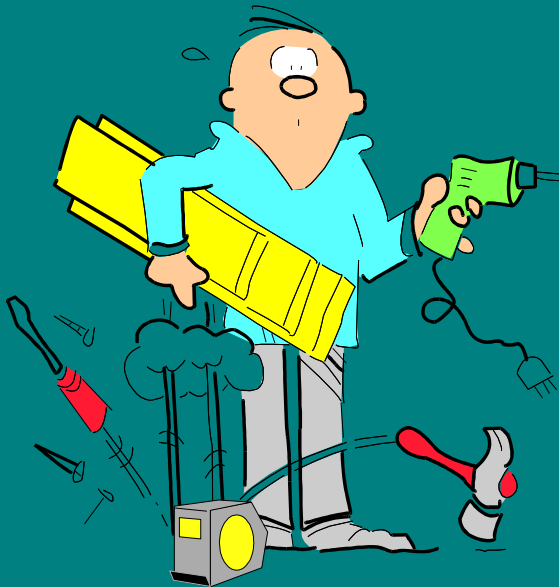
Metrics - Measurable Performance Standards

- **Quality**

- Failure rates
- Customer satisfaction

- **Effectiveness**

- % inoperable



- **Timeliness**
- **Total Cost**

- Adherence to schedule
- Response time

- **Quantity**

- Performance bands
- Completion rates

Which metrics best permit you to measure how well the process achieves the output?

Add the Metric to the Task

TOP LEVEL: The Contractor shall provide vehicle cleaning services as described herein.

Windows shall be free of streaks and dirt

Body **shall be free of dirt or foreign matter**

Wheels

- **Tire treads shall be free of foreign**
- **Sidewalls are free of stains**
- **Wheel covers free of foreign matter**

Other **Process time will not exceed ____.**
Vehicles will sustain no damage as result of the process

PBA Metrics

PBA: Metrics

Task

_____ services shall begin

daily not later than

Standard

How will I know if performance meets standards?

- Standard: metric that states 'how well' the Army requires task performance.
- **Indicator:** metric that measures actual performance in terms that relate to the standard.

Required
Time
Level of Quality

Actual
Time
Level of Quality_

Indicators

Task



_____ services shall begin

daily not later than



Standard

Which of these meet the performance outcome

Services began at:

8:40 am

8:50 am

9:00 am

9:20 am

Indicators...

- Are measurable
- Reflect actual performance
- Compare directly to (are in the same terms as) the measurable performance standard



Which of these may make reasonable indicators?

Contractor shall identify and resolve malfunctions to OEM Standards within 24 hours of notification

- 1. Time to resolve problems**
- 2. Size (# people) of a contractor response team**
- 3. Performance completed to stated quality level**
- 4. Complaints (validated) concerning performance**

5. Contractor shall maintain a record of all malfunctions

Performance Indicators

Contractor shall identify and resolve malfunctions to OEM Standards within 24 hours of notification.

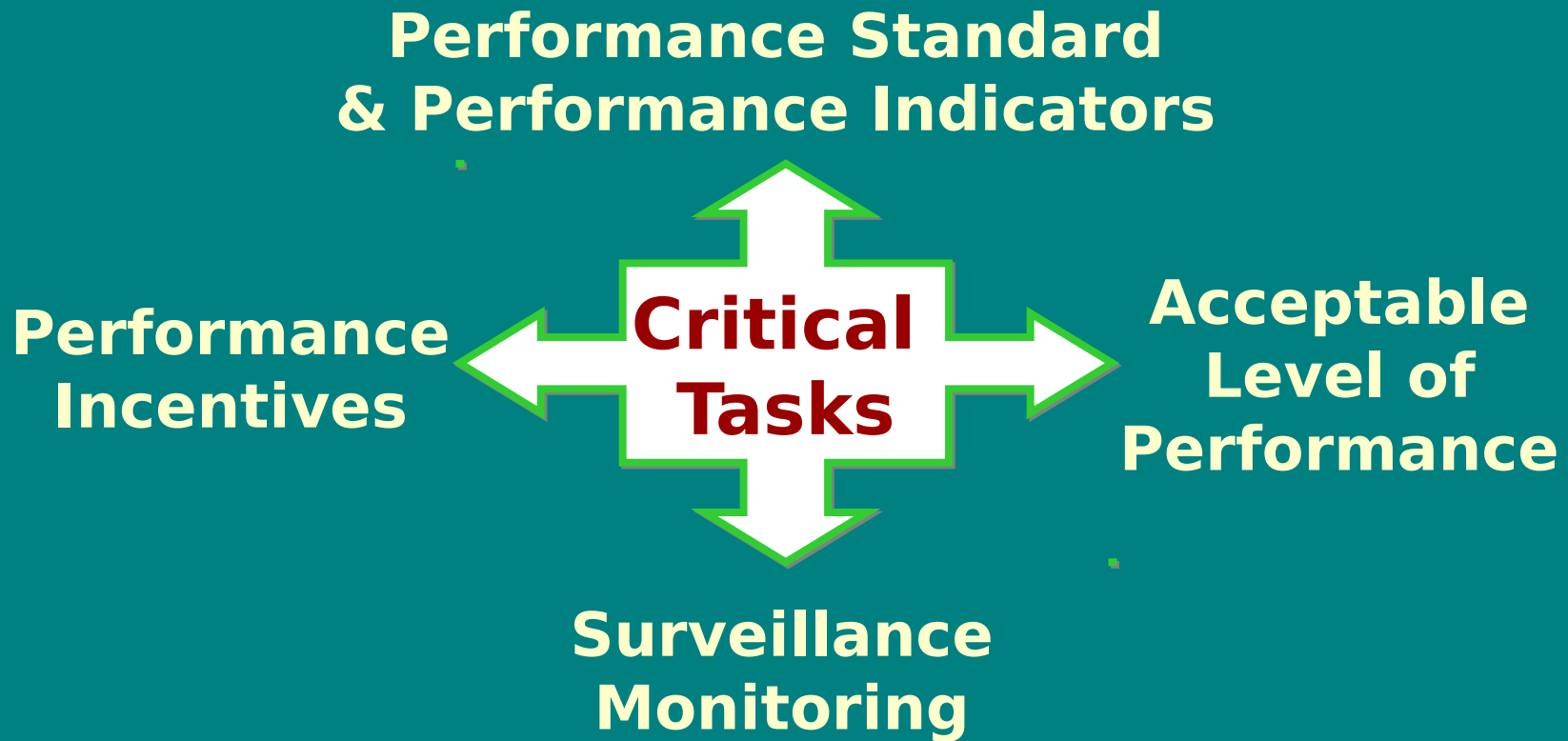
Which indicators support these standards?

Timeliness:

Quality of Performance:

Indicators compare actual performance to the standard

Purpose of the Performance Requirements Summary (PRS)



- **Contract tasks that are critical to the outcome.**
- **Performance metrics.**
- **PWS/QASP information.**

PRS answers these questions...

Performance Standard
& Performance Indicators
*What standard is appropriate?
& What should we measure?*

Performance
Incentives

*What carrot or
stick will best
reward or
punish*

*performance?
What tasks must
be accomplished
to give us the
result we want?*

**Critical
Tasks**

Surveillance
Monitoring
*How will we
determine
successful
performanc*

Acceptable
Level of
Performance
*How far from
perfection can
we accept
performance?*

Performance Requirements Summary

PBA: Metrics

| Task | Performance Standard | Performance Indicator | ALP % | Surveillance Method | Incentive |
|------|---------------------------------|-----------------------|-------|---------------------|-----------|
| | | | | | |
| | | Actual Performance | | | |
| | Type of Standard "How Wells" | | | Type of Sampling | |

**Critical Tasks
"Do Whats"**

Acceptable Level of Performance

**Y/N
+/-**

PRS Task: Insert Critical Tasks

| Task | Standard | Indicator | ALP % | Surveillance Method | Incentive |
|---------|----------|-----------|-------|---------------------|-----------|
| Windows | | | | | |
| Body | | | | | |
| Wheels | | | | | |

PRS Task: Insert Standards

| Task | Performance Standard | Performance Indicator | ALP % | Surveillance Method | Incentive |
|---------|-------------------------------------|-----------------------|-------|---------------------|-----------|
| Windows | free of streaks and dirt | | | | |
| Body | free of dirt, film & foreign matter | | | | |
| Wheels | free of stains & foreign matter | | | | |

PRS Task: Insert Indicators

| Task | Performance Standard | Performance Indicator | ALP % | Surveillance Method | Incentive |
|---------|-------------------------------------|-----------------------|-------|---------------------|-----------|
| Windows | free of streaks and dirt | Incidence of _____ | | | |
| Body | free of dirt, film & foreign matter | Incidence of _____ | | | |
| Wheels | free of stains & foreign matter | Incidence of _____ | | | |

Summary: Metrics

Here's what's important!



- Performance Outcomes
- Task Analysis
 - Critical
 - Non-Critical
- Measurable Performance Standards
- Metrics to Assess Performance
- Performance Requirements
- Summary